

AMENDMENTS TO LB 642

(Amendments to Standing Committee amendments, AM493)

Introduced by Cornett

1 1. On page 1, strike beginning with "The" in line 7
2 through the underscored period in line 11 and insert

3 "(a) The department may contract with a person to recruit
4 to the state new retailers that will generate sales taxable
5 pursuant to section 77-2703 if the Governor determines the contract
6 to be in the best interest of the state. The contract shall not
7 be subject to the requirements of sections 73-201 to 73-204 and
8 73-504.

9 (b) The Governor's determination that a contract is in
10 the best interest of the state shall be based on the new state
11 sales tax revenue that would be generated as a result of the
12 business activity of the new retailers recruited to the state.
13 The contract and all supporting information shall be confidential
14 except for the names of the parties to the contract, the locations
15 of their places of business, the amounts of increased employment
16 and investment made by the parties to the contract, and information
17 required to be reported under subdivision (2)(e) of this section.

18 (c) A contract entered into under this section may
19 provide for the payment of an incentive that is a percentage of
20 the new state sales tax revenue generated. The department shall
21 verify and audit all incentives paid pursuant to this subsection.
22 A person that receives an incentive under this subsection is not

1 entitled to sales tax refunds under the Nebraska Advantage Act,
2 the Nebraska Advantage Microenterprise Tax Credit Act, the Nebraska
3 Advantage Research and Development Act, and the Nebraska Advantage
4 Rural Development Act with regard to the same sales transactions.

5 (d) A new retailer recruited under this subsection
6 shall be subject to all reporting, audit, enforcement, and
7 confidentiality provisions of the Nebraska Revenue Act of 1967
8 that are applicable to other retailers in the state. The state may
9 not contractually waive this requirement. In the event an incentive
10 was paid under this subsection on taxes subsequently determined to
11 have been paid in error, a purchaser may seek a refund from the
12 retailer. If the retailer files a claim for a refund of taxes paid
13 in error, the amount of the refund shall be reduced by the amount
14 of the incentive paid for the period of the refund claim.

15 (e) The Tax Commissioner shall submit an annual report
16 to the Legislature no later than July 15 each year regarding total
17 state sales tax revenue generated pursuant to this subsection. The
18 report shall include:

19 (i) A listing of the contracts which have been signed
20 during the previous calendar year;

21 (ii) A listing of the contracts which are still in
22 effect;

23 (iii) The identities of the parties to each contract;

24 (iv) The locations of the places of business of the
25 parties to each contract;

26 (v) Total taxable sales occurring in this state as a
27 result of the contracts authorized by this subsection;

1 (vi) Total state sales tax revenue generated by the total
2 taxable sales referred to in subdivision (2) (e) (v) of this section;
3 and
4 (vii) Total incentives paid pursuant to each contract.";
5 and in line 15 before the period insert "; and in line 24 after
6 "to" insert "subsection (1) of".